

# STATE OF NEBRASKA

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## DEPARTMENT OF INSURANCE

**L. Tim Wagner**

*Director*



**Dave Heineman**  
*Governor*

October 27, 2005  
CB-107 (Amended)

### **BULLETIN**

#### **SUBJECT: RESPONSE TO NEBRASKA MEDICAID INFORMATION REQUESTS REQUIRED**

This session, the Nebraska Legislature passed LB 589. Operative September 4, 2005, LB 589 requires insurers, at the request of the Nebraska Department of Health and Human Services System or the Nebraska Department of Health and Human Services System Finance and Support, to provide coverage information to the requesting Department without an individual's authorization for purposes of determining the individual's eligibility for state benefit programs or coordinating benefits with state programs. These requests for information will include limited benefit policies, which could affect an individual's eligibility for state benefit programs.

The Nebraska Medicaid program requests such information to ensure the accuracy in the processing of Medicaid payments to providers and to verify program eligibility. The State of Nebraska is concerned about unnecessary duplication in payments by the Medicaid program to health care providers.

HIPAA privacy rules specifically permit the sharing of information with Medicaid programs without written authorization of the patient if the health plan has a method to authenticate the source of the request. The Department of Insurance does not believe that authentication should be a problem with written requests. Failure of an insurer or third party administrator to respond to such pertinent communications involving the Medicaid program is, as a result of LB 589, an act that constitutes a violation of the Nebraska Unfair Claims Settlement Practices Act.

LB 589 has been codified as Neb. Rev. Stat. §68-10,100 through §68-10,107. The text of the statutes may be found online at [www.unicam.state.ne.us](http://www.unicam.state.ne.us).

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